UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

In re:

GLOBAL HOME PRODUCTS LLC, et al. Debtors.

Chapter 11 Case No. 06-10340 (KG) (Jointly Administered)

REGAL WARE, INC.,

1:06-cv-00588-JJF

Appellant

V.

GLOBAL HOME PRODUCTS, LLC et. al.

Appellees.

JOINDER OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS IN DEBTORS' (A) MOTION TO DISMISS APPEAL FILED BY REGAL WARE INC. OF ORDER APPROVING MOTION OF THE DEBTORS FOR AN ORDER: (I) APPROVING SALE BY THE WEAREVER DEBTORS OF SUBSTANTIALLY ALL OF THE WEAREVER DEBTORS' OPERATING ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS PURSUANT TO SECTIONS 363(B), (F) AND (M) OF THE BANKRUPTCY CODE, (II) ASSUMING AND ASSIGNING CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (III) GRANTING RELATED RELIEF; OR, ALTERNATIVELY, (B) ANSWERING BRIEF TO OPENING BRIEF OF APPELLANT REGAL WARE, INC.

LOWENSTEIN SANDLER PC

Sharon L. Levine, Esq. Bruce Buechler, Esq. Wojciech F. Jung, Esq. 65 Livingston Avenue Roseland, New Jersey 07068 Telephone: (973) 597-2500 Fax (973) 597-2400

PEPPER HAMILTON LLP

David M. Fournier (DE No. 2812) Evelyn J. Meltzer (DE No. 4581) Hercules Plaza, Suite 5100 1313 N. Market Street Wilmington, Delaware 19801 Telephone: (302) 777-6500 Fax: (302) 421-8390

Co-Counsel for the Official Committee of Unsecured Creditors

Date: December 1, 2006

-

¹ The Debtors are the following entities: Global Home Products LLC; GHP Holding Company LLC; GHP Operating Company LLC; Anchor Hocking Acquisition Inc.; Anchor Hocking Inc.; AH Acquisition Puerto Rico, Inc.; Anchor Hocking Consumer Glass Corporation; Anchor Hocking CG Operating Company LLC; Anchor Hocking Operating Company LLC; Burnes Acquisition Inc.; Intercraft Company; Burnes Puerto Rico, Inc.; Picture LLC; Burnes Operating Company LLC; Mirro Acquisition Inc.; Mirro Puerto Rico, Inc.; Mirro Operating Company LLC.

Table of Contents

Table o	of Authorities	ii
I.	The Law of the Case Doctrine Warrants Dismissal of this Appeal	.1

TABLE OF AUTHORITIES

CASES

Al Tech Specialty Steel Corp. v. Allegheny Int'l Credit Corp., 104 F.3d 601 (3rd Cir. 1997)	
<u>Arizona v. California</u> , 460 U.S. 605 (1983)	
Avitia v. Metropolitan Club of Chicago, Inc., 49 F.3d 1219 (7th Cir. 1995)	2
In re City of Philadelphia Litigation, 158 F.3d 711 (3rd Cir.1998)	2
Public Interest Research Group of N.J., Inc. v. Magnesium Elekton, Inc., 123 F.3d 111 (3rd Cir. 1997)	2
<u>Schultz v. Onan Corp.</u> , 737 F.2d 339 (3rd Cir. 1984)	2
Southco, Inc., v. Kanebridge Corp., 324 F.3d 190 (3rd Cir. 2003)	2
Steiert v. Mata Services, Inc., 111 F. Supp. 2d 521 (D.N.J. 2000)	2

Official Committee of Unsecured Creditors Appellee. "Committee") of Global Home Products, LLC, et al., the above-captioned debtors and debtors-in-possession (the "Debtors"), by and through its counsel, joins the Debtors in their (A) Motion to Dismiss Appeal Filed by Regal Ware Inc. of Order Approving Motion of the Debtors for an Order (I) Approving Sale by the WearEver Debtors of Substantially All of the WearEver Debtors Operating Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests Pursuant to Sections 363(b), (f) and (m) of the Bankruptcy Code, (II) Assuming and Assigning Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief; or, Alternatively (B) Answering Brief to Opening Brief of Appellant Regal Ware, Inc. (the "Motion") filed on December 1, 2006. (Docket No. 27.) In addition to the Committee's joinder in the Debtors' Motion, the Committee respectfully states as follows:

I. The Law of the Case Doctrine Warrants Dismissal of this Appeal

In addition to its adoption of the facts, legal arguments and conclusions of 1. law asserted by the Debtors in their Motion, the Committee respectfully submits that the law of the case doctrine mandates the dismissal of this appeal initiated by Regal Ware, Inc. ("Regal Ware"). This Court has already held that "the Bankruptcy Court correctly concluded that the Sublicense Agreement was not a personal services contract and was freely assignable as an exclusive license that places no restriction on assignments." Joint Appendix No. 84 at pgs. 2-3 and 4. In so holding, the Court denied Regal Ware's Emergency Motion for Stay Pending Appeal of Order Approving Motion of the Debtors for an Order (1) Approving Sale by the WearEver Debtors of Substantially all of the WearEver Debtors Operating Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests Pursuant to Sections 363(b), (f), and (m) of the Bankruptcy Code, (II) Assuming and Assigning Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief (the "Stay Motion"). In addition, the Court has held that due to the closing of the sale transaction between the Debtors, SEB S.A. and Groupe SEB USA, Regal Ware's Stay Motion was moot. *Id.* at 2 and 4.

- 2. Law of the case is a preclusionary doctrine governing the ongoing litigation. The United States Supreme Court has held "that when a court decides upon a rule of law, that decision should continue to govern the same issues in subsequent stages in the same case." *Arizona v. California*, 460 U.S. 605, 618 (1983). The rationale behind the doctrine is that it promotes judicial economy and efficiency, provides adversaries with a full and fair opportunity to litigate without excessive expense or vexation, and fosters judicial reliability by avoiding inconsistent decisions. *Arizona*, 460 U.S. at 619. *See also Public Interest Research Group of N.J. Inc. v. Magnesium Elekton, Inc.*, 123 F.3d 111, 116 (3rd Cir. 1997). The law of the case doctrine also applies where an issue has been expressly or implicitly decided. *Steiert v. Mata Services, Inc.*, 111 F. Supp. 2d 521, 524 (D.N.J. 2000) (citing In re City of Philadelphia Litigation, 158 F.3d 711, 718 (3rd Cir. 1998)).
- 3. While the law of the case doctrine promotes uniformity and certainty, the doctrine is a matter of discretion (i.e., a prior ruling can be reconsidered in exceptional circumstances) and "does not limit the tribunal's power." Arizona, 460 U.S. at 618. See also, Avitia v. Metropolitan Club of Chicago, Inc., 49 F.3d 1219, 1227 (7th Cir. 1995) (stating that "a judge may reexamine his earlier ruling (or the ruling of a judge previously assigned to the case, or of a previous panel if the doctrine is invoked at the appellate level) if he has a conviction at once strong and reasonable that the earlier ruling was wrong, and if rescinding it would not cause undue harm to the party that had benefited from it.") (citations omitted). This approach is also the law of the Third Circuit. See Schultz v. Onan Corp., 737 F.2d 339, 345 (3rd Cir. 1984); Al Tech Specialty Steel Corp. v. Allegheny Int'l Credit Corp., 104 F.3d 601, 605 (3rd Cir. 1997) (stating that "it is appropriate to reconsider a decision made in an earlier appeal in exceptional circumstances, such as where there has been an intervening change in the law, where new evidence has become available, or where reconsideration is necessary to prevent clear error or manifest injustice.") (citations omitted); Southco, Inc. v. Kanebridge Corp., 324 F.3d 190 (3rd Cir. 2003) (same).

4. The United States Supreme Court also restricts this discretion by holding that as a rule courts should be loathe to revisit prior decisions in the absence of extraordinary circumstances such as where the initial decision was "clearly erroneous and would work a manifest injustice." *Arizona*, 460 U.S. at 618, n.8.

5. Such unusual circumstances are not present here nor are any extraordinary circumstances articulated by Regal Ware. The Court correctly decided when it dismissed Regal Ware's Stay Motion as being moot when it agreed with the Bankruptcy Court that the Sublicense Agreement in question was not a personal services contract and was freely assignable as an exclusive license. Thus the Committee requests the Court grant the Debtors' Motion dismissing this appeal as moot.

Date: December 1, 2006

Respectfully submitted,

LOWENSTEIN SANDLER PC

Sharon L. Levine, Esq. Bruce Buechler, Esq. Wojciech F. Jung, Esq. 65 Livingston Avenue Roseland, New Jersey 07068 Telephone: (973) 597-2500

Fax: (973) 597-2400

and

PEPPER HAMILTON LLP

David M. Fournier (DE No. 2812) Evelyn J. Meltzer (DE No. 4581)

Hercules Plaza, Suite 5100/

1313 N. Market Street

Wilmington, Delaware 19801

Telephone: (302) 777-6500

Fax: (302) 421-8390

Co-Counsel for the Official Committee of Unsecured Creditors

CERTIFICATE OF SERVICE

I, Evelyn J. Meltzer, hereby certify that on the 1st day of December, 2006, I caused the foregoing Joinder of The Official Committee of Unsecured Creditors in Debtors' (A) Motion to Dismiss Appeal Filed by Regal Ware Inc. of Order Approving Motion of the Debtors for an Order: (I) Approving Sale by the Wearever Debtors of Substantially All of the Wearever Debtors' Operating Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests Pursuant to Sections 363(B), (F) and (M) of the Bankruptcy Code, (II) Assuming and Assigning Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief; or, Alternatively, (B) Answering Brief to Opening Brief of Appellant Regal Ware, Inc. to be served upon the parties listed on the attached service in the manner stated.

Evelyn J. Meltzer

(Counsel to the Debtors)
Laura Davis Jones, Esquire
Bruce Grohsgal, Esquire
Sandra G. M. Selzer, Esquire
Pachulski Stang Ziehl Young Jones & Weintraub
LLP
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Hand Deliver

(Counsel to the Debtors)
David M. Bertenthal, Esquire
Joshua M. Fried, Esquire
Pachulski Stang Ziehl Young Jones & Weintraub
LLP
150 California Street, 15th Floor
San Francisco, CA 94111

Fed Ex

(United States Trustee)
Mark Kenney, Esquire
Office of the United States Trustee
J. Caleb Boggs Federal Building
844 North King Street, Suite 2207
Lockbox 35
Wilmington, DE 19801

Hand Deliver

(Counsel to Wachovia Bank, National Association)
Joseph H. Huston, Jr., Esquire
Thomas G. Whalen, Jr., Esquire
Stevens & Lee, P.C.
1105 North Market Street, 7th Floor
Wilmington, DE 19801
Hand Deliver

(Counsel to Wachovia Bank, National Association) Jonathan N. Helfat, Esquire Matthew J. Miller, Esquire Otterbourg, Steindler, Houston & Rosen, P.C. 230 Park Avenue New York, NY 10169-0075

Fed Ex

(Counsel to Madeleine, L.L.C.) Robert J. Dehney, Esquire Gilbert R. Saydah, Jr., Esquire Morris, Nichols, Arsht & Tunnell LLP Chase Manhattan Centre 1201 North Market Street, 18th Floor Wilmington, DE 19801

Hand Deliver

(Counsel to Madeleine L.L.C.)
Jesse H. Austin, III, Esquire
Paul, Hastings, Janofsky & Walker LLP
600 Peachtree Street, N.E., Suite 2400
Alama, GA 30308

Fed Ex

(Counsel to Global Home Products Investors, LLC) Adam G. Landis, Esquire Kerri K. Mumford, Esquire Landis Rath & Cobb LLP 919 North Market Street, Suite 600 Wilmington, DE 19801

Hand Deliver

(Counsel to Global Home Products Investors, LLC) Michael L. Cook, Esquire Sophie S. Kim, Esquire Schulte Roth & Zabel LLP 919 Third Avenue New York, NY 10022

Fed Ex

(Counsel to Regal Ware) Steven Kortanek, Esq. Klehr Harrison Harvey Branzburg & Ellers, LLP 919 North Market Street, Suite 1000 Wilmington, DE 19801

Hand Deliver

(Counsel to Regal Ware) Morton R. Branzburg, Esq. Klehr, Harrison, Harvey, Branzburg & Ellers LLP 260 South Broad Street, Suite 400 Philadelphia, PA 19102

Fed Ex

(Counsel to SEB S.A. and Groupe SEB USA) Gregg M. Galardi, Esquire Matthew P. Ward, Esquire Skadden, Arps, Slate, Meagher & Flom LLP One Rodney Square P.O. Box 636 Wilmington, DE 19899

Hand Deliver

(Counsel to Lifetime Brands, Inc.) Ronald S. Gellert, Esquire Eckert Seamans Cherin & Mellott, LLC 300 Delaware Avenue, Suite 1360 Wilmington, DE 19801

Hand Deliver

Mark Eichhorn, Interim Chief Executive Officer Global Home Products, LLC 519 North Pierce Avenue Lancaster, OH 43130

Fed Ex

(Counsel to Lifetime Brands, Inc.) Neil E. Herman, Esq. Leonard Klingbaum, Esq. Morgan, Lewis & Bockius LLP 101 Park Avenue New York, NY 10178

Fed Ex

(Counsel to Lifetime Brands, Inc.) Neil E. Herman, Esquire Leonard Klingbaum, Esquire Morgan, Lewis & Bockius, LLP 101 Park Avenue New York, NY 10178

Fed Ex

(Counsel to Regal Ware, Inc.) Daniel R. Johnson, Esq. Ryan Kromholz & Manion, S.C. 3360 Gateway Road Brookfield, WI 53045

Fed Ex

(Counsel to Citigroup) Joseph H. Smolinsky, Esq. Chadbourne & Parke LLP 30 Rockefeller Plaza New York, NY 10112

Fed Ex

(Counsel to SEB S.A. and SEB USA) N. Lynn Hiestand, Esq. Christian Pilkinton, Esq. Neil Devaney, Esq. Skadden, Arps, Slate, Meagher & Flom (UK) LLP 40 Bank Street Canary Wharf, London E14 5DS England Fed Ex